



December 18, 2024

South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

RE: Comments on Proposed Amended Rules 1111 and 1121

To the Members of the Governing Board:

The Harbor Association of Industry and Commerce (HAIC), representing industrial, maritime, and commercial businesses in the Los Angeles Harbor Area, writes to express significant concerns regarding Proposed Amended Rules 1111 and 1121.

Our primary concerns include:

Cost and Implementation

- Substantial replacement costs ranging from \$18,500-\$21,500 for space heaters and \$5,200-\$8,200 for water heaters
- Significant electrical infrastructure upgrades required for many industrial and commercial properties
- Timeline starting in 2026 poses challenges for capital planning and budgeting
- Current supply chain constraints and workforce limitations could impede compliance

Industrial Impact

- Many of our members operate large facilities requiring multiple unit replacements
- Electrical capacity concerns for industrial properties
- Operational disruptions during transitions
- Potential impacts on manufacturing processes

Economic Analysis Concerns

- Cost-effectiveness analysis needs further evaluation for industrial applications
- Infrastructure readiness requires additional study
- Grid capacity assessment needed for industrial areas
- Workforce development considerations for installation and maintenance

Recommendations:

1. Extend implementation timeline to allow proper infrastructure planning
2. Conduct additional analysis of industrial sector impacts
3. Consider alternative compliance pathways for industrial facilities
4. Develop transition assistance programs
5. Address grid capacity concerns

While HAIC supports efforts to improve air quality in our region, we believe these rules as proposed would create significant operational and financial challenges for our industrial and maritime businesses. We urge you to address these concerns before proceeding with rule adoption.

Sincerely,

A handwritten signature in black ink, appearing to read "Henry Rogers". The signature is fluid and cursive, with the first name "Henry" and last name "Rogers" clearly distinguishable.

Henry Rogers
Executive Director
Harbor Association of Industry and Commerce